

# HB4890



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

**HB4890**

Introduced 2/18/2020, by Rep. Michael J. Zalewski

#### SYNOPSIS AS INTRODUCED:

215 ILCS 5/143b

from Ch. 73, par. 755b

Amends the Illinois Insurance Code. Makes a technical change in a Section concerning collision insurance coverage.

LRB101 18038 BMS 67476 b

A BILL FOR

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Insurance Code is amended by  
5 changing Section 143b as follows:

6 (215 ILCS 5/143b) (from Ch. 73, par. 755b)

7 Sec. 143b. Any insurance carrier whose payment to its  
8 insured is reduced by a deductible amount under a policy  
9 providing collision coverage is subrogated to its insured's  
10 entire collision loss claim including the ~~the~~ deductible amount  
11 unless the deductible amount has been otherwise recovered by  
12 the insured, but if the deductible amount has been otherwise  
13 recovered by the insured it shall not be included in the  
14 subrogated loss claim and shall be excluded from the amount of  
15 loss pleaded. If the deductible amount is included in the  
16 subrogated loss claim the insurance carrier shall pay the full  
17 pro rata deductible share to its insured out of the net  
18 recovery on the subrogated claim. Administrative expenses of  
19 the insurance carrier cannot be deducted from the gross  
20 recovery, and only incurred expenses of the carrier, such as  
21 attorney's fees, collection fees and adjuster's fees, may be  
22 deducted therefrom to determine the net recovery. When the  
23 insurance carrier is recovering directly from a third party a

1 claim by means of installments, the insured shall receive his  
2 full pro rata deductible share as soon as such amount is  
3 collected and before any part of such recovery is applied to  
4 any other use.

5 (Source: P.A. 83-588.)